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January 31, 2012

VIA ELECTRONIC FILING

The Honorable Robert E. Gerber
United States Bankruptcy Court
Southern District of New York
Courtroom 621
One Bowling Green
New York, NY 10004-1408

Re: In re 261 East 78 Realty Corporation
Case Number: 11-15624-REG

Dear Judge Gerber:

We represent secured creditor MB Financial Bank, N.A. (“**MB Financial**”) in the above-captioned matter. On January 19, 2012, the Court entered the enclosed Order denying MB Financial’s Motion to Dismiss the Debtor’s Chapter 11 case and for other relief. The Order provides, in part, that, “the motion for relief from the automatic stay is denied without prejudice, provided that if within fourteen (14) days of the entry of this Order MB Bank confirms its waiver of Section 362(e)(1) of the Bankruptcy Code, the motion will be continued.”

We are writing to advise the Court and parties in interest of MB Financial’s election to waive its rights under Section 362(e)(1) of the Bankruptcy Code and to request that its motion for relief from the automatic stay be continued, in accordance with the January 19, 2012 Order.

Respectfully Submitted,

/s/ Christopher P. Anton
Christopher P. Anton

cc: Dan Shaked, Esq.
Sean C. Southard, Esq.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In Re:

Chapter 11

Case No. 11-15624 (REG)

261 EAST 78 REALTY CORP.,

Debtor(s).

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**ORDER DENYING MB FINANCIAL BANK, N.A.'S MOTION TO DISMISS CHAPTER
11 CASE; DENYING MOTION FOR RELIEF FROM STAY; AND DENYING MOTION
PURSUANT TO SECTION 543 OF THE BANKRUPTCY CODE**

Upon the motion (the "Motion") of MB Financial Bank, N.A. ("MB Bank") for an Order dismissing the Debtor's Chapter 11 Case or, in the alternative, granting relief from the automatic stay and/or excusing the temporary receiver's compliance with §543 of the Bankruptcy Code; and the Debtor having opposed the Motion; and creditor, Central Consulting & Contracting, Inc. ("Central Consulting") having opposed the motion; and the Court having held a hearing (the "Hearing") on January 9, 2012; and Dan Shaked, Esq. and Chris Georgoulis, Esq. having appeared for the Debtor; and James B. Daniels, Esq. and Christopher P. Anton, Esq. having appeared for the Movant, MB Bank, and Sean C. Southard, Esq. having appeared on behalf of Central Consulting; and the Court having heard oral arguments from counsel on the Motion and having considered the evidence and pleadings submitted by the parties; and for the reasons set forth on the record at the Hearing and other good cause, it is

ORDERED, that the motion to dismiss the Debtor's Chapter 11 Case is denied without prejudice; and it is further

ORDERED, that the motion for relief from the automatic stay is denied without prejudice, provided that if within fourteen (14) days of the entry of this Order MB Bank confirms

its waiver of Section 362(e)(1) of the Bankruptcy Code, the motion will be continued; and it is further

ORDERED, that the motion pursuant to §543(d)(1) to excuse the temporary receiver from complying with section 543(a) and (b) is denied; and it is further

ORDERED, that the temporary receiver shall deliver to the Debtor all documents and assets in its possession and control within seven (7) calendar days; and it is further

ORDERED, that this Court shall retain jurisdiction to resolve any issues with respect to this Order.

Dated: New York, New York
January 19, 2012

s/ Robert E. Gerber
Honorable Robert E. Gerber
United States Bankruptcy Judge